

POLICY COMMITTEE MEETING MINUTES
4016 WEST BROAD STREET
RICHMOND, VIRGINIA

JUNE 22, 2005, 6:00 p.m.

PRESENT: Charles Yates, Chairman, Richard Railey, Sherry Crumley, Marshall Davison, Jimmy Hazel

Chairman Yates called the meeting to order at 6:00 p.m. At the June 6 meeting, the Committee reviewed its goals and objectives and determined that although there may be some overlap in responsibilities, the Governance Committee should remain separate from the Policy Committee.

Mr. Yates indicated that he requested and received information from staff on existing agency policies, and at this meeting he planned to review what amendments and revisions were needed on these policies to bring them into compliance with findings in the report of the Internal Auditor and the response of the Secretary of Natural Resources.

Mr. Yates referenced the existing agency organizational chart and the fact that it does not conform to the existing budget format and policies. He suggested that information needed to be developed in a format that is consistent with the organizational chart. Colonel Massengill responded that he is working with staff to develop reports and information in a format that will be more helpful. He also indicated that the organizational chart did conform to the agency's programs and mission.

Virgil Kopf explained that the agency uses a programmatic budgeting process and the proposed budget distributed to Board members was in that format. The programmatic budget is consistent with the agency's mission. He also indicated that the agency has the necessary tools to present budget information to the Board in any format, once staff has a clear understanding of what that format is. Staff indicated that its goal is to develop a consistent reporting mechanism for the entire board that will provide the desired information. Board members indicated that they would like to have budget information presented to them in a line item format, i.e., what is budgeted for travel, gasoline, etc.

Mr. Hazel commented that as committees are formed and tasked, he envisions specific Board members will be tasked with working with staff to develop the budget and then inform the entire Board of its key elements and components. These responsibilities will be defined in the governance manuals that will be developed.

Staff acknowledged that the audit reports denote areas where additional policies and controls are needed that will insure that the agency can continue to get its jobs done. The agency's mission is distinctly different from other state organizations, therefore many of its appropriate purchases may appear improper to an observer. Colonel Massengill indicated that the challenge is to insure that employees have the capability to obtain products needed for the job while insuring that necessary approvals are obtained from the appropriate compliance authorities prior to a purchase. He also stated that a policy is needed that clearly states that once a product is obtained with state funds, it becomes the property of the state and must remain in its ownership unless appropriately surplused as required by state law and procedures. Additionally, all purchases will have to be approved by an employee's supervisor, including those of the Director.

Mr. Davison suggested that an internal control is needed that will require staff to document why and for what purpose purchases are being made with the small purchase card.

Mr. Yates referenced the Secretary's action plan that requests the development of policies in eight areas. These policies are due in September and he asked and was told that agency staff feels that it will be able to meet this deadline.

Colonel Massengill reported that he is working with staff to develop human resource policies that will respond to the deficiencies identified in audit reports. He also plans to revise the agency's handling procedures for employee grievances and Committee members concurred with the proposed changes.

Colonel Massengill advised the Committee that Gary Martel will assist it with its work.

Committee members requested the development of policies that will provide guidance for staff on the appropriate level of participation with and in constituent groups that will also insure that activities do not present the appearance of lobbying which is prohibited by state law.

The agency also needs a guidance policy on how its equipment can be used in constituent group activities without limiting its involvement with these groups.

Mr. Yates indicated that he has received ideas from constituents that will be shared with staff.

Committee members were pleased with the progress to date. The next meeting of the Policy Committee will be July 27, 2005.

As there was no further business, the meeting was adjourned by the Chairman.

Respectfully submitted,

Belle Harding
Recording Secretary